

TAB G

In the Senate of the United States,

June 25, 1997.

Resolved, That the bill from the House of Representatives (H.R. 2015) entitled “An Act to provide for reconciliation pursuant to section 104(a) of the concurrent resolution on the budget for fiscal year 1998.”, do pass with the following

AMENDMENT:

Strike out all after the enacting clause and insert:

1 ***SECTION 1. SHORT TITLE.***

2 *This Act may be cited as the “Balanced Budget Act*
3 *of 1997”.*

4 ***SEC. 2. TABLE OF TITLES.***

5 *The table of titles for this Act is as follows:*

Title I. Committee on Agriculture, Nutrition, and Forestry.

Title II. Committee on Banking, Housing, and Urban Affairs.

Title III. Committee on Commerce, Science, and Transportation.

Title IV. Committee on Energy and Natural Resources.

Title V. Committee on Finance.

Title VI. Committee on Governmental Affairs.

Title VII. Committee on Labor and Human Resources.

Title VIII. Committee on Veterans’ Affairs.

1 (2) *OTHER PROVISIONS.*—*The amendments made*
 2 *by this section other than subsection (a) shall take ef-*
 3 *fect on the date of the enactment of this Act.*

4 **SEC. 5525. UPDATES FOR AMBULATORY SURGICAL SERV-**
 5 **ICES.**

6 Section 1833(i)(2)(C) (42 U.S.C. 1395l(i)(2)(C)) is
 7 amended by inserting at the end the following: “In each
 8 of the fiscal years 1998 through 2002, the increase under
 9 this subparagraph shall be reduced (but not below zero) by
 10 2.0 percentage points.”.

11 **SEC. 5526. REIMBURSEMENT FOR DRUGS AND**
 12 **BIOLOGICALS.**

13 (a) *IN GENERAL.*—Section 1842 (42 U.S.C. 1395u) is
 14 amended by inserting after subsection (n) the following new
 15 subsection:

16 “(o)(1) *If a physician’s, supplier’s, or any other per-*
 17 *son’s bill or request for payment for services includes a*
 18 *charge for a drug or biological for which payment may be*
 19 *made under this part and the drug or biological is not paid*
 20 *on a cost or prospective payment basis as otherwise pro-*
 21 *vided in this part, the amount payable for the drug or bio-*
 22 *logical is equal to 95 percent of the average wholesale price,*
 23 *as specified by the Secretary.*

24 “(2)(A) *In the case of a drug or biological for which*
 25 *payment was under this part on May 1, 1997, the amount*

1 *determined under paragraph (1) for any drug or biological*
2 *shall not exceed—*

3 *“(i) in the case of 1998, the amount of the pay-*
4 *ment under this part on May 1, 1997, and*

5 *“(ii) in the case of 1999 and each succeeding*
6 *year, the amount determined under this subpara-*
7 *graph for the previous year, increased by the percent-*
8 *age increase in the consumer price index for all urban*
9 *consumers (U.S. city average) for the 12-month pe-*
10 *riod ending with June of the previous year.*

11 *“(B) In the case of a drug or biological not described*
12 *in subparagraph (A), the amount determined under para-*
13 *graph (1) for any year following the first year for which*
14 *payment is made under this part for such drug or biological*
15 *shall not exceed the amount payable under this part (after*
16 *application of this subparagraph) for the previous year, in-*
17 *creased by the percentage increase in the consumer price*
18 *index for all urban consumers (U.S. city average) for the*
19 *12-month period ending with June of the previous year.*

20 *“(3) If payment for a drug or biological is made to*
21 *a licensed pharmacy approved to dispense drugs or*
22 *biologicals under this part, the Secretary shall pay a dis-*
23 *persing fee (less the applicable deductible and insurance*
24 *amounts) to the pharmacy, as the Secretary determines ap-*
25 *propriate.*

1 “(4) *The Secretary shall conduct such studies or sur-*
 2 *veys as are necessary to determine the average wholesale*
 3 *price (and such other price as the Secretary determines ap-*
 4 *propriate) of any drug or biological for purposes of para-*
 5 *graph (1). The Secretary shall, not later than 6 months*
 6 *after the date of the enactment of this subsection, report to*
 7 *the appropriate committees of Congress the results of the*
 8 *studies and surveys conducted under this paragraph.”.*

9 (b) *EFFECTIVE DATE.*—*The amendments made by sub-*
 10 *section (a) apply to drugs and biologicals furnished on or*
 11 *after January 1, 1998.*

12 **CHAPTER 3—PART B PREMIUM AND**
 13 **RELATED PROVISIONS**

14 **SEC. 5541. PART B PREMIUM.**

15 (a) *IN GENERAL.*—*Section 1839(a)(3) (42 U.S.C.*
 16 *1395r(a)(3)) is amended by striking the first 3 sentences*
 17 *and inserting the following: “The Secretary, during Sep-*
 18 *tember of each year, shall determine and promulgate a*
 19 *monthly premium rate for the succeeding calendar year that*
 20 *is equal to 50 percent of the monthly actuarial rate for en-*
 21 *rollees age 65 and over, determined according to paragraph*
 22 *(1), for that succeeding calendar year.”.*

23 (b) *CONFORMING AND TECHNICAL AMENDMENTS.*—

24 (1) *SECTION 1839.*—*Section 1839 (42 U.S.C.*
 25 *1395r) is amended—*

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AMENDMENT